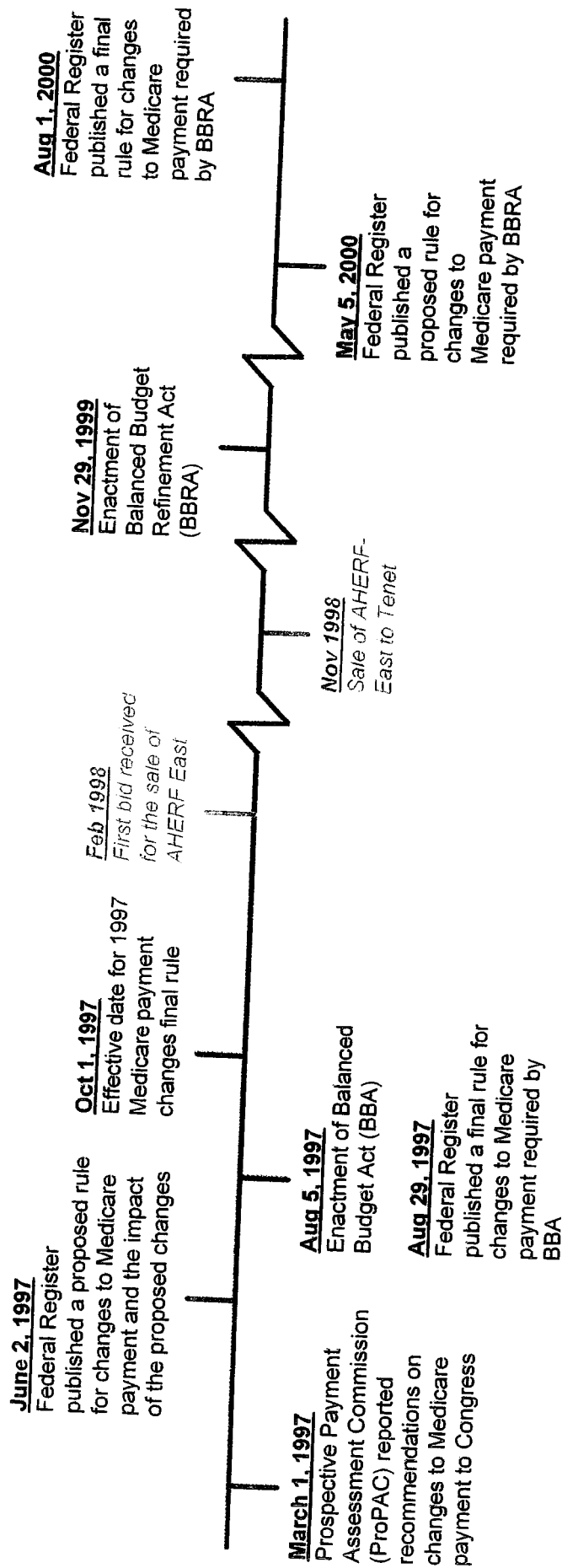


Medicare BBA / BBRA Events Timeline



Source: Federal Register; BDC Advisors, LLC analysis

BDC Advisors, LLC

Medicare BBA / BBRA Chronology

Date	Event	Source
March 1, 1997	<ul style="list-style-type: none"> Prospective Payment Assessment Commission (ProPAC) reported recommendations on changes to Medicare payment to Congress 	<ul style="list-style-type: none"> Report included in June 2, 1997 Federal Register proposed rule (62 FR 29902)
June 2, 1997	<ul style="list-style-type: none"> Federal Register published a proposed rule setting forth changes to the Medicare hospital inpatient prospective payment 	<ul style="list-style-type: none"> Federal Register 62 FR 29902
August 5, 1997	<ul style="list-style-type: none"> The Balanced Budget Act of 1997, Public Law 105-33 was enacted 	<ul style="list-style-type: none"> Federal Register 62 FR 45966
August 29, 1997	<ul style="list-style-type: none"> Federal Register published a final rule of changes to Medicare hospital inpatient prospective payment system resulting from the Balance Budget Act of 1997 The final rule would be effective for discharges occurring on or after October 1, 1997 	<ul style="list-style-type: none"> Federal Register 62 FR 45966
October 6, 1997	<ul style="list-style-type: none"> Federal Register published corrections of technical errors to the Medicare hospital inpatient prospective payment systems final rule (62 FR 45966) 	<ul style="list-style-type: none"> Federal Register 62 FR 52034
November 29, 1999	<ul style="list-style-type: none"> The Balanced Budget Refinement Act of 1999, Public Law 106-113 was enacted 	<ul style="list-style-type: none"> Federal Register 65 FR 26282
May 5, 2000	<ul style="list-style-type: none"> Federal Register published a proposal rule to revise the Medicare hospital inpatient prospective payment system to implement applicable statutory requirements, including Balanced Budget Refinement Act of 1999. The changes would be applicable to discharges occurring on or after October 1, 2000 	<ul style="list-style-type: none"> Federal Register 65 FR 26282
August 1, 2000	<ul style="list-style-type: none"> Federal Register published an interim final rule to provide certain statutory provisions relating to Medicare payments to hospitals for inpatient services that are contained in the Balanced Budget Refinement Act of 1999. The effective date is August 1, 2000 Federal Register published a final rule to changes to Medicare hospital inpatient prospective payment system as proposed in Federal Register 65 FR 26282 on May 5, 2000. The effective date is October 1, 2000 	<ul style="list-style-type: none"> Federal Register 65 FR 47026 Federal Register 65 FR 47054

Source: Federal Register; BDC Advisors, LLC analysis

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Welfare Reform / Act 35 Implementation Timeline

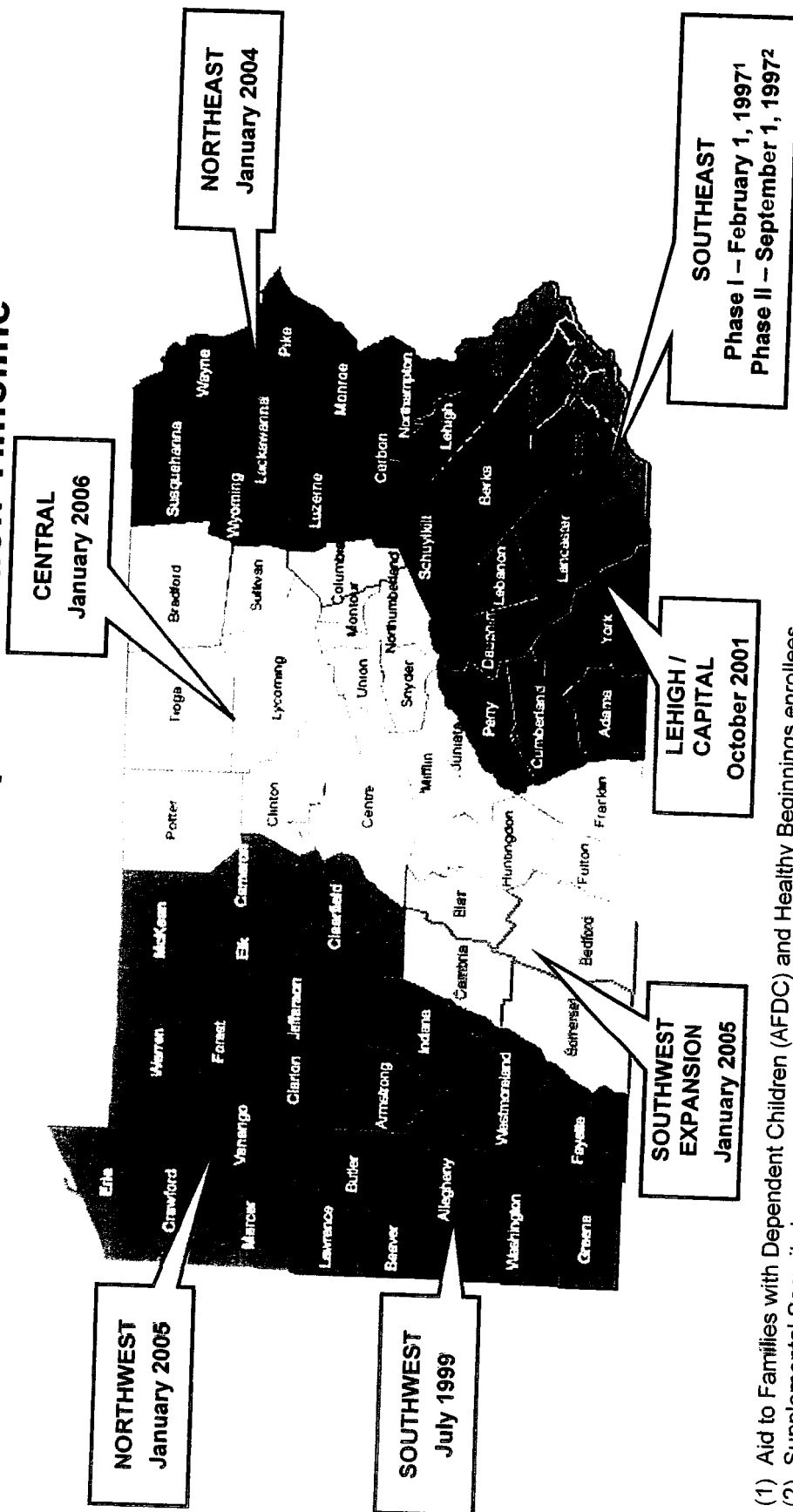
- March 4, 1996
 - ➔ Secretary of Welfare confirmed the number of recipients that will be impacted by Act 35 at Senate Appropriation Hearing
- March 8 – 18, 1996
 - ➔ Prospective impact analysis reports by various entities (i.e., the State, the Hospital Association of PA, and the Urban Health Care Coalition of PA) disseminated to PA hospitals
- March 18, 1996
 - ➔ Approval of final state budget, including Medicaid cut due to Act 35
- May 16, 1996
 - ➔ Act 35 signed into law
 - ➔ Act 35 amended certain section of the Public Welfare Code which governs eligibility for cash and Medical Assistance benefits
- June 14, 1996
 - ➔ The State of PA published a Notice of Rule Change (PA Bulletin No. 96-978) regarding eligibility for cash and Medical Assistance benefits mandated by Act 35
 - ➔ PA Department of Public Welfare published the implementation plan for Act 35 (Medical Assistance Bulletin No. 99-96-05)
- June 17, 1996
 - ➔ Effective implementation date of Act 35
- August 22, 1996
 - ➔ President Clinton signed into law the Personal Responsibility and Work Opportunity Reconciliation Act (P. L. 104-93), a.k.a., Welfare Reform

Source: The PA Bulletin; PA Department of Welfare; BDC Advisors, LLC analysis

Regulatory Events . . . Medicaid / HealthChoices

The implementation of HealthChoices (Medicaid managed care) occurred in multiple phases among seven geographical regions. Philadelphia's region was enacted in 1997.

PA HealthChoices Implementation Timeline



Notes: (1) Aid to Families with Dependent Children (AFDC) and Healthy Beginnings enrollees
(2) Supplemental Security Income (SSI), General Assistance (GA) and Healthy Horizons enrollees
Source: PA Office of Medical Assistance Programs; BDC Advisors, LLC analysis

BDC Advisors, LLC

Market Conditions Impact Analysis on Non-HMO Commercial Business